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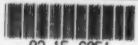

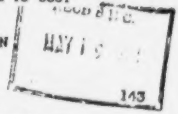

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Quarter ended April 4, 1992

Commission File No. 1-62

PG-2-223

RINI-REGO SUPERMARKETS, INC.
(Exact name of Registrant as specified in its charter)

Ohio	34-0222970
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
5300 Richmond Road, Bedford Heights, Ohio (Address of principal executive offices)	44146 (Zip Code)

Registrant's telephone number, including area code: (216) 292-7000

Indicate by check mark whether the Registrant (1) has filed all reports required by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past ninety days.

YES X NO _____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

	Outstanding at May 15, 1992
Common Stock, $.01 Par Value	3,536,503

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RINI-REGO SUPERMARKETS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(In thousands of dollars)

	April 4, 1992	June 29, 1991
	(unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 3,510	$ 3,693
Trade accounts receivable, net	25,465	27,370
Inventories	69,550	73,402
Prepaid expenses	6,448	5,642
	104,973	110,107
PROPERTY, EQUIPMENT AND CAPITAL LEASES	137,439	125,819
Less-Allowances for depreciation, amortization and loss on disposal of fixed assets	52,305	46,228
	85,134	79,591
OTHER ASSETS:		
Notes receivable	6,287	5,433
Favorable leases, net	1,791	3,058
Other	3,795	2,442
	11,873	10,933
TOTAL ASSETS	$ 201,980	$ 200,631
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 43,602	$ 46,378
Accrued liabilities	21,233	23,576
Current portion of long-term liabilities	9,663	9,897
	74,498	79,851
LONG-TERM LIABILITIES:		
Debt	54,728	53,089
Capital lease obligations	10,246	10,948
Self insurance reserves	9,294	9,611
Other liabilities	5,253	5,050
SHAREHOLDERS' EQUITY:		
Preferred Stock--18,044 and 18,054 shares at April 4, 1992 and June 29, 1991	1,804	1,805
Class A Common Stock--7,125,288 and 7,125,191 shares at April 4, 1992 and June 29, 1991	71	71
Class B Common Stock--955,613 shares	10	10
Paid-in capital	35,546	35,546
Retained earnings	10,530	4,650
	47,961	42,082
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 201,980	$ 200,631

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated balance sheets.

RINI-REGO SUPERMARKETS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(In thousands of dollars, except per share data)
(unaudited)

	40 Weeks Ended		12 Weeks Ended	
	April 4, 1992	April 6, 1991	April 4, 1992	April 6, 1991
NET SALES	$ 757,255	$ 788,314	$ 223,518	$ 230,597
COST OF GOODS SOLD	593,859	618,331	175,739	180,909
Gross profit	163,396	169,983	47,779	49,688
SELLING, GENERAL & ADMINISTRATIVE EXPENSE	148,202	151,028	44,195	44,527
Operating profit	15,194	18,955	3,584	5,161
OTHER INCOME (EXPENSE):				
Interest expense	(5,549)	(6,904)	(1,489)	(1,893)
Interest income	526	558	142	175
Gain (Loss) on sale of assets	117	32	(4)	25
INCOME BEFORE INCOME TAXES	10,288	12,641	2,233	3,468
PROVISION FOR INCOME TAXES	4,300	5,400	900	1,500
NET INCOME	5,988	7,241	1,333	1,968
LESS PREFERRED STOCK DIVIDENDS	108	108	36	36
NET INCOME APPLICABLE TO COMMON SHARES	$ 5,880	$ 7,133	$ 1,297	$ 1,932
PER SHARE DATA:				
NET INCOME PER COMMON SHARE	$ .73	$ .89	$ .16	$ .24
DIVIDENDS PER COMMON SHARE	-	-	-	-
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	8,080,881	7,981,985	8,080,901	7,984,930

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated balance sheets.

RINI-REGO SUPERMARKETS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(In thousands of dollars)
(unaudited)

	40 Weeks Ended		12 Weeks Ended	
	April 4, 1992	April 6, 1991	April 4, 1992	April 6, 1991
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	$ 5,988	$ 7,241	$ 1,333	$ 1,968
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation & Amort.	9,330	9,507	2,939	2,965
Provision for LIFO	2,550	2,550	729	729
(Gain) loss on sale of assets	(117)	(32)	4	(25)
Stock issued as compensation	-	12	-	12
Changes in assets and liabilities	(5,112)	(4,896)	(3,734)	(4,690)
Cash provided by operating activities	12,639	14,382	1,271	959
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of fixed assets	(14,642)	(9,215)	(6,251)	(3,648)
Proceeds from sale of fixed assets	906	49	59	25
Cash used for investing activities	(13,736)	(9,166)	(6,192)	(3,623)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from issuance of notes	15,000	-	-	-
Additions to (reduction of) long-term debt net	(13,276)	(3,445)	5,156	3,583
Reduction of capital lease obligations	(702)	(754)	(211)	(234)
Proceeds from issuance of common stock	-	800	-	800
Preferred stock dividends	(108)	(108)	(36)	(36)
Cash provided by (used for) financing activities	914	(3,507)	4,909	4,113
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(183)	1,709	(12)	1,449
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3,693	3,036	3,522	3,296
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 3,510	$ 4,745	$ 3,510	$ 4,745
SUPPLEMENTAL DATA:				
Interest Paid	$ 5,183	$ 6,645	$ 984	$ 1,514
Taxes Paid	$ 3,162	$ 2,854	$ 892	$ 217

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated balance sheets.

RINI-REGO SUPERMARKETS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
April 4, 1992

(1) Basis of Presentation:

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations and cash flows in conformity with generally accepted accounting principles. The results of operations for the twelve and forty weeks ended April 4, 1992 are not necessarily indicative of the results for the fiscal year ending June 27, 1992. In the opinion of management, the accompanying unaudited consolidated condensed financial statements contain all adjustments necessary for a fair statement of the financial position at the dates indicated and of the results for the interim periods indicated.

The consolidated financial statements include the accounts of Rini-Rego Supermarkets, Inc. and its subsidiaries. (RRS or the Company) All material intercompany accounts and transactions have been eliminated. The accompanying financial statements of the Company are presented on the "push down accounting" basis, for financial reporting purposes only, with the equity section of the accompanying balance sheet reflecting the equity of Riser Foods, Inc. The separate financial statements of the Company would reflect the following shareholders' equity amounts (in thousands):

	April 4, 1992	June 29, 1991
Preferred stock	$ 1,811	$ 1,811
Common stock	1,403	1,403
Paid-in capital	22,714	22,714
Retained earnings	20,667	14,679
	$ 46,595	$ 40,607

(2) Debt:

Effective September 30, 1991, the interest rates on the Company's lines of credit were reduced. The interest rates on the lines of credit were reduced from 1% to .75% over the bank's Prime Interest Rate.

On December 31, 1991, the Company issued $15,000,000 in Taxable Variable Rate Demand Notes (the Notes). The proceeds of the Notes were used to retire $12,451,000 of term loans under the Company's bank credit facility, and other debt bearing interest rates ranging from 7.0% to 8.5%. The Notes bear interest at a variable rate based on the higher of the average 30-day or the 90-day commercial paper rate, plus a market increment which currently is .125%, payable monthly. Principal under the Notes will be repaid in annual repayments of $2,000,000 beginning December 1, 1992 thru December 1, 1997 and $3,000,000 on December 1, 1998. The Notes are secured by a bank letter of credit. The bank letter of credit expires on December 31, 1993, has an annual fee of 1% on the outstanding note balance, and is secured by the Company's existing bank credit facility.

Concurrent with the issuance of the Notes, the Company entered into an Exchange Transaction with a bank which fixed the higher of the 30-day or 90-day commercial paper rate at 6.50% for the next 3 years at dollar amounts which correspond to the Notes outstanding.

Unused borrowing capacity at April 4, 1992 under the Company's bank credit facility was approximately $15 million.

(3) Employee Stock Option Plan:

On October 4, 1991 the Company granted options to several key employees to purchase 96,500 shares of Class A Common Stock (the 1991 Options) under the Company's Stock Incentive Plan for Key Employees. The exercise price of the 1991 Options is $10.31 per share of Class A Common Stock. The 1991 Options will not become exercisable until October 4, 1993 and will expire on October 4, 2001, if not exercised. The 1991 Options are non-qualified options for Federal Income Tax purposes.

(4) Income Taxes:

At June 29, 1991, the Company had a net operating loss carryforward of approximately $38,600,000 for financial reporting purposes. A significant portion of these carryforwards relate to the Company's acquired subsidiary, RRS, and are only available to offset the future earnings of RRS. RRS's net operating loss utilization is significantly limited due to tax regulations regarding change in ownership of RRS's stock. For financial reporting purposes, the utilization of the RRS pre-acquisition net operating loss carryforward has been reflected as a reduction of the values assigned to noncurrent assets of RRS in purchase accounting, until such time as the Company adopts Statement of Financial Accounting Standards No.109 "Accounting for Income Taxes." The Company provided taxes using a 42.0% effective tax rate based on the Company's anticipated earnings for the entire current fiscal year. In the prior year, the company used an effective tax rate of 42.5%.

(5) Subsequent Event:

On May 14, 1992, the Company's wholesale division sold the business and certain assets of its food service operations. The assets included the fleet and warehouse facility utilized by this operation, as well as certain food service inventory. The Company does not expect to recognize any significant gain or loss on this transaction.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

The Company's total sales during the third quarter of fiscal 1992, decreased 3.1% over the same period last year. Year-to-date the Company's sales have decreased 3.9% between years. The Company attributes this sales decline primarily to the general poor economic environment, increased competition and the closing of one of the Company's retail stores in the fourth quarter of fiscal 1991.

As a percentage of sales, gross margin for the third quarter declined as the Company utilized increased promotional activities to help maintain sales levels. The third quarter economic climate made it difficult to maintain

margin levels while protecting market share. Year-to-date, gross margin as a percentage of sales remains consistent between years. The Company has been able to partially offset pressure on gross margin via improved retail merchandising and aggressive forward inventory buying. The provision for LIFO remained the same between years both in the third quarter and year-to-date.

Selling, general and administrative expenses decreased from $44.5 million for the third quarter of fiscal 1991 to $44.2 million for the third quarter of fiscal 1992. Year-to-date, these expenses decreased from $151.0 million in fiscal 1991 to $148.2 million in the current year. This was due primarily to costs attributed to one closed operating store and management's programs to reduce variable expenses in reaction to reduced sales. As a percentage of sales, selling, general and administrative expenses increased from 19.3% in the third quarter of fiscal 1991 to 19.8% in the third quarter of fiscal 1992, and from 19.2% in fiscal 1991 to 19.6% year-to-date. This increase in percentage is due to the relationship of declining sales versus fixed expenses of depreciation, occupancy and utilities.

The decrease in interest expense compared to the third quarter of fiscal 1991 and year-to-date resulted from reduced borrowings and lower interest rates.

For the first three quarters of fiscal 1992, the Company provided taxes using a 42% effective tax rate. This rate is based on the Company's expected federal, state and local statutory tax rates adjusted for permanent items for the 1992 fiscal year.

Liquidity and Sources of Capital

Cash decreased $183,000 since fiscal year-end. The Company's ratio of current assets to current liabilities was 1.41 at the end of the third quarter of 1992 as compared to 1.38 at fiscal year-end. Inventories decreased by $3.9 million while accounts receivable decreased $1.9 million. The inventory and receivable decreases represent normal seasonal trends.

Normal remodelling and updating of retail units and the warehouse facilities utilized $14.6 million of cash. The Company acquired two (2) new retail locations at the end of the third quarter. The Company also closed one (1) location subsequent to the end of the third quarter. Although the Company intends to continue to remodel and update its stores and facilities, no significant commitments for capital expenditures exist at April 4, 1992. The Company believes that the revolving credit facility along with funds to be provided from operations will be sufficient for current operating needs and anticipated capital requirements.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

None

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

RINI-REGO SUPERMARKETS, INC.
(Registrant)

May 18, 1992 By: Anthony C. Rego
President

May 18, 1992 By: Ronald W. Ocasek
Treasurer